(b) if so, whether Government are aware that this discrimination is likely to deter foreign investors; and

(c) whether Government propose to review this policy Resolution and create a level playing field for all the competitors for the healthy growth of export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) Yes, Sir.

(b) A conscious distinction has been made between Indian owned companies and foreign companies in export of Limenite, Rutile, etc. Foreign investors are allowed to set up highly capital intensive plants for maximization of value addition, upgradation of technology to international standards, attracting funds. They are not permitted to do only mining and mineral separation activities.

(c) The policy is being reviewed on a continuous basis.

Focus on agriculture at WTO meet

2950. SHRI MATILAL SARKAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether agriculture became the point of focus at meeting of some member States of WTO in Paris in the month of July, 2004;

(b) the role of USA and EU in the meeting;

(c) the role of India, and

(d) the resultant agreement, if any?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) to (c) Yes, Sir, Brazil and India represented the G-20 group of like-minded countries on agriculture during this meeting, and presented the proposals of the G-20 towards developing a framework on agriculture. The proposals, *inter alia,* ensures that trade-distorting domestic subsidies provided to their farm sector largely by the developed countries are substantially reduced, their export subsidies eliminated, and market access opportunities for products of export interest to developing countries improve substantially. Moreover, consistent with the Doha mandate to negotiate on agriculture, any additional commitments,

particularly in market access, by developing countries like India should serve to safeguard their food and livelihood security concerns and rural development needs.

On 1st August, 2004, a Framework for Establishing Modalities in Agriculture has been agreed to by consensus in the meeting of the General Council of the World Trade Organisation, which include the US and the EU Member States. The Framework duly addresses India's concerns.

Amendments in Foreign Trade Policy

2951. SHRI B.K. HARIPRADSAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the amendments to the Foreign Trade Policy were expected to be announced on March 31, 2005 and whether this deadline has been extended further;

(b) whether Government is feeling the crunch on account of commitments made in the Common Minimum Programme, leaving little room to accommodate fresh export incentives; and

(c) whether Government is considering curtailment or closure of the existing incentive schemes to accommodate new incentives?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) to (c) The annual supplement to the Foreign Trade Policy has been released on April 8, 2005 incorporating additional policy initiatives and further simplifying procedures to facilitate and enhance India's share of international trade. There is no proposal under consideration of Government to curtail or close the existing export incentives schemes. However, DEPB scheme will be replaced by a new scheme which is aimed at neutralizing the un-remitted levies and taxes on exports.

Transition from the DEPS to duty drawback regime

2952. SHRI B.K. HARIPRADSAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is seriously considering a smooth transition from the Duty Entitlement Passbook Scheme (DEPS) to a duty drawback regime free of bureaucratic hassles;